

STEP 3—TRIAL BALANCE WITH CUSHION

	Single-item					
	Taxes			School taxes		
	pmt	disb	bal	pmt	disb	bal
Jun	0	0	800	0	0	330
Jul	100	500	400	30	0	360
Aug	100	0	500	30	0	390
Sep	100	0	600	30	360	60
Oct	100	0	700	30	0	90
Nov	100	0	800	30	0	120
Dec	100	700	200	30	0	150
Jan	100	0	300	30	0	180
Feb	100	0	400	30	0	210
Mar	100	0	500	30	0	240
Apr	100	0	600	30	0	270
May	100	0	700	30	0	300
Jun	100	0	800	30	0	330

APPENDIX MS-1 TO PART 1024—
SERVICING DISCLOSURE STATEMENT

[Sample language; use business stationery
or similar heading]
[Date]

SERVICING DISCLOSURE STATEMENT
NOTICE TO FIRST LIEN MORTGAGE
LOAN APPLICANTS: THE RIGHT TO
COLLECT YOUR MORTGAGE LOAN PAY-
MENTS MAY BE TRANSFERRED

You are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2601 *et seq.*). RESPA gives you certain rights under Federal law. This statement describes whether the servicing for this loan may be transferred to a different loan servicer. “Servicing” refers to collecting your principal, interest, and escrow payments, if any, as well as sending any monthly or annual statements, tracking account balances, and handling other aspects of your loan. You will be given advance notice before a transfer occurs.

Servicing Transfer Information

[We may assign, sell, or transfer the servicing of your loan while the loan is outstanding.]

[or]

[We do not service mortgage loans of the type for which you applied. We intend to assign, sell, or transfer the servicing of your mortgage loan before the first payment is due.]

[or]

[The loan for which you have applied will be serviced at this financial institution and we do not intend to sell, transfer, or assign the servicing of the loan.]

[INSTRUCTIONS TO PREPARER: Insert the date and select the appropriate language under “Servicing Transfer Information.” The

model format may be annotated with further information that clarifies or enhances the model language.]

APPENDIX MS-2 TO PART 1024—NOTICE
OF ASSIGNMENT, SALE, OR TRANSFER
OF SERVICING RIGHTS

[Sample language; use business stationery or similar heading]

NOTICE OF ASSIGNMENT, SALE, OR
TRANSFER OF SERVICING RIGHTS

You are hereby notified that the servicing of your mortgage loan, that is, the right to collect payments from you, is being assigned, sold or transferred from _____ to _____ effective _____.

The assignment, sale or transfer of the servicing of the mortgage loan does not affect any term or condition of the mortgage instruments, other than terms directly related to the servicing of your loan.

Except in limited circumstances, the law requires that your present servicer send you this notice at least 15 days before the effective date of transfer, or at closing. Your new servicer must also send you this notice no later than 15 days after this effective date or at closing. [In this case, all necessary information is combined in this one notice].

Your present servicer is _____. If you have any question relating to the transfer of servicing from your present servicer call _____ [enter the name of an individual or department here] between ____ a.m. and ____ p.m. on the following days _____.

This is a [toll-free] or [collect call] number.

Your new servicer will be _____.

The business address for your new servicer is: _____